

UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

UNITED STATES OF AMERICA, ) INFORMATION CR 13-119 PJS  
)  
Plaintiff, ) 18 U.S.C. § 1343  
) 18 U.S.C. § 1957  
v. )  
)  
EDWIN SCOTT VERDUNG, )  
)  
Defendant. )

THE UNITED STATES ATTORNEY CHARGES THAT:

INTRODUCTION

At all times relevant to this Information:

1. Defendant Edwin Scott Verdung resided in Chisholm, Minnesota.
2. Defendant Verdung was an operator of Memory Lane Classics, Inc. ("Memory Lane"), a company based in Chisholm, Minnesota, that solicited customers seeking restored or rebuilt classic automobiles and other vehicles.

COUNT 1  
(Wire Fraud)

3. Paragraphs 1 through 2 are realleged as if set forth in full herein.
4. Beginning in or about April 2007, and continuing through at least in or about May 2010, in the State and District of Minnesota and elsewhere, the defendant,

**EDWIN SCOTT VERDUNG,**

knowingly and intentionally devised a scheme and artifice to defraud individuals across the United States and elsewhere who were seeking restored or rebuilt vehicles, and to

SCANNED

MAY 14 2013

U.S. DISTRICT COURT ST. PAUL

MAY 13 2013

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obtain more than approximately \$1 million in money and property from such individuals, by means of false and fraudulent pretenses, representations and promises.

### THE FRAUD SCHEME

It was a part of the scheme that:

5. The defendant took money from individuals who were seeking restored or rebuilt classic automobiles and other vehicles ("customers"). In some cases, customers brought their own vehicle to the defendant to be restored or rebuilt, while in other cases, customers agreed to purchase a restored or rebuilt vehicle from the defendant. Despite accepting money from all such customers, the defendant failed to provide the restored or rebuilt vehicles as he had promised.

6. The defendant falsely represented to some customers that he had made progress in restoring the customer's vehicle. The defendant did not in fact make progress on the vehicles as he had promised. In some cases, the defendant had not even acquired a vehicle to restore.

7. In some cases, after receiving an initial deposit payment, the defendant required customers to make "progress" payments, such as after the vehicle was painted. The defendant falsely represented to customers that he had made such progress.

8. In some cases, the defendant provided photos of another owner's vehicle to a given customer, and he falsely represented that the photos showed the customer's vehicle. The defendant provided the photos and made the false representations in order to secure additional payments from a customer or to prevent the customer from discovering and reporting the scheme.

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9. To keep the scheme from being discovered and to lull victims from reporting the scheme, the defendant refunded payments when requested. The defendant used funds received from other customers for these refunds.

10. On or about December 8, 2009, in the State and District of Minnesota and elsewhere, the defendant,

**EDWIN SCOTT VERDUNG,**

for the purpose of executing and attempting to execute the scheme and artifice, knowingly caused to be transmitted in interstate commerce a wire transfer of \$20,000 from victim P.W.'s business bank account in New York to Memory Lane's US Bank account in Minnesota.

All in violation of Title 18, United States Code, Section 1343.

**COUNT 2**

(Transaction Money Laundering)

11. Paragraphs 1 through 2 and 5 through 9 are realleged as if set forth in full herein.

12. On or about December 8, 2009, in the State and District of Minnesota and elsewhere, the defendant,

**EDWIN SCOTT VERDUNG,**

knowingly engaged and attempted to engage in a monetary transaction by, through, and to a financial institution, affecting interstate commerce, in criminally-derived property of a value greater than \$10,000, that is, the defendant wired \$25,000 drawn on his

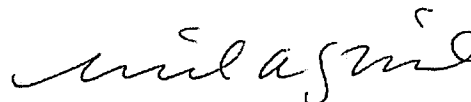
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company's US Bank account to victim R.R. to repay funds previously paid by R.R., such property having been derived from wire fraud.

All in violation of Title 18, United States Code, Sections 1957 and 2.

Dated: May 13, 2013

B. Todd Jones  
United States Attorney

A handwritten signature in cursive script, appearing to read "Nicole A. Engisch".

BY: NICOLE A. ENGISCH  
Assistant U.S. Attorney  
Attorney ID No. 215284